

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2130-01
Bill No.: HB 921
Subject: Banks & Financial Institutions; Credit Unions; Public Officers; State Employees
Type: Original
Date: March 27, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 3 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials with the **Department of Economic Development–Division of Credit Unions** and **Division of Finance**, and the **Office of Administration–Administrative Hearing Commission** assume the proposal will have no fiscal impact to their agencies.

In response to similar legislation, officials with the **Office of the Attorney General** assumed additional duties created by the proposal could be absorbed with existing resources.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal will have a direct fiscal impact on small financial institutions and check-cashing businesses.

DESCRIPTION

This bill compels any state or federally-chartered bank, savings and loan, or credit union to cash any payroll check issued to a state employee. The employee is not required to be a customer of the institution where the check is presented for cashing. When the employee is not a customer of the institution, the institution may charge a check-cashing fee not to exceed the check cashing fee assessed to its customers. Institutions that violate the provisions of the bill would be subject to potential administrative penalties not to exceed \$5,000 per violation.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Economic Development
 Division of Finance
 Division of Credit Unions
Office of Administration
 Administrative Hearing Commission

A handwritten signature in black ink, appearing to read "Jeanne Jarrett". The signature is stylized with a large initial "J" and a cursive script.

Jeanne Jarrett, CPA
Director

March 27, 2001